

## Message Text

LIMITED OFFICIAL USE

PAGE 01 BONN 13175 01 OF 02 141621Z

50

ACTION EUR-12

INFO OCT-01 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00 DOTE-00

EB-07 INR-07 NSAE-00 FAA-00 L-03 PM-04 NSC-05 SP-02

SS-15 PA-01 PRS-01 USIA-06 /066 W

----- 067347

R 141605Z AUG 75

FM AMEMBASSY BONN

TO SECSTATE WASHDC 2138

INFO USMISSION USBERLIN

AMEMBASSY LONDON

AMEMBASSY PARIS

LIMITED OFFICIAL USE SECTION 01 OF 02 BONN 13175

E.O. 11652: N/A

TAGS: EAIR, WB, UK, US, FR, GW

SUBJECT: AEROAMERICA'S SAARBRUECKEN APPLICATION

REF: A. BONN 12147 B. STATE 166283

1. SUMMARY: BRITISH ARE NOW PREPARED TO CONCUR IN APPROVING AEROAMERICA'S SAARBRUECKEN APPLICATION. AEROAMERICA PRESIDENT HAS WRITTEN EMB CAA INDICATING THE CARRIER'S INTENTION TO COMMIT ADEQUATE RESOURCES TO THE SERVICE AND TO AVOID USING NEWLY ACQUIRED EQUIPMENT TO COMPETE WITH SCHEDULED IGS CARRIERS. THE WAY IS NOW CLEAR FOR THE CAA'S TO ISSUE THE NECESSARY AUTHORIZATION PERMITTING AEROAMERICA TO INTRODUCE THE SERVICE ON NOVEMBER 1. ACTION REQUESTED: DEPARTMENT'S CONCURRENCE. END SUMMARY.

2. UK CAA GROVES HAS NOW CONFIRMED THAT HMG WOULD BE WILLING TO CONCUR IN APPROVAL OF AEROAMERICA'S APPLICATION TO INITIATE A SAARBRUECKEN SCHEDULED SERVICE ON NOVEMBER 1, SUBJECT TO US ASSURANCES THAT A. CARRIER IS FULLY QUALIFIED TO CONDUCT SUCH SERVICE;  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BONN 13175 01 OF 02 141621Z

B. CARRIER WILL NOT USE NEWLY-ACQUIRED F-27 FOR ACTIV-

ITIES DIRECTLY COMPETITIVE WITH SCHEDULED IGS CARRIERS. GROVES WILL ACCEPT EMB CAA'S MOTION IN THE CAA FORUM TO APPROVE THE APPLICATION AS EVIDENCE THAT THESE TERMS HAVE BEEN MET.

3. AEROAMERICA GENERAL MANAGER MATHUS CALLED AT THE EMBASSY AUGUST 12 TO DELIVER A LETTER SIGNED BY THE CARRIER'S PRESIDENT, JOEL EISENBERG, PROVIDING ASSURANCES REGARDING THE QUESTIONS RAISED EARLIER WITH AERO-AMERICA OFFICIALS (REFTEL A). EISENBERG'S LETTER CONFIRMS THAT THE SPARE BOEING 720 AIRCRAFT PRESENTLY USED IN BERLIN AS A BACK-UP FOR THE CARRIER'S CHARTER SERVICES WOULD ALSO BE USED AS A BACK-UP FOR THE SAARBRUECKEN SERVICE WHEN THE F-27 IS INOPERABLE, OR AS A SPECIAL SECTION DURING PEAK HOLIDAY PERIODS. WITH RESPECT TO CHARTER ACTIVITIES FOR THE F-27, EISENBERG WRITES THAT IT IS NOT HIS INTENTION TO SOLICIT BUSINESS FROM BERLIN TO THE FRG. AEROAMERICA WOULD, HOWEVER, WANT TO USE THE AIRCRAFT TO MEET THE NEEDS OF CUSTOMERS WHO REQUIRE A SMALLER AIRCRAFT TO SERVICE CERTAIN DESTINATIONS WHERE LIMITED CAPACITY WOULD BE APPROPRIATE, SUCH AS THE NORTH SEA ISLANDS, DENMARK, AUSTRIA, SWITZERLAND AND YUGOSLAVIA. PROJECTIONS ON THE ECONOMIC VIABILITY OF THE SAARBRUECKEN SERVICE DID NOT TAKE INTO ACCOUNT ANY REVENUE FROM CHARTER OPERATIONS FOR THE F-27, ACCORDING TO EISENBERG. AEROAMERICA IS PRESENTLY NEGOTIATING THE PURCHASE OF A F-27, BUT WILL NOT ENTER INTO A FIRM CONTRACT UNTIL CAA AUTHORIZATION IS ASSURED. THE LETTER ALSO POINTS OUT THAT CLOSE TO 90 DAYS WILL BE REQUIRED TO COMPLETE PREPARATIONS FOR THE INTRODUCTION OF THE SERVICE; THEREFORE, AEROAMERICA, IF IT IS TO COMMENCE OPERATIONS ON NOVEMBER 1, WOULD REQUIRE AUTHORIZATION AS SOON AS POSSIBLE.

4. EISENBERG'S LETTER ENCLOSES A COMPREHENSIVE ANALYSIS OF THE SAARBRUECKEN MARKET BASED ON KNOWN OPERATING COSTS OF THE F-27, PLUS MODERN AIR'S AND PAA'S EXPERIENCE ON THE ROUTE. WE ARE UNABLE TO FULLY EVALUATE THIS DATA, BUT ON FIRST READING IT APPEARS TO PROVIDE A LOGICAL BASIS FOR THE SERVICE. WE NOTE THAT AEROAMERICA LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BONN 13175 01 OF 02 141621Z

CONCLUDES THAT THE OPERATION WILL BREAK EVEN WITH 15 PASSENGERS ON EACH ONE-WAY FLIGHT SECTOR, AND THAT THE CARRIER EXPECTS TO REACH AN AVERAGE OF 20 PASSENGERS PER SECTOR BY THE THIRD WEEK OF OPERATION. THE FLIGHT FROM SAARBRUECKEN TO BERLIN WOULD TAKE APPROXIMATELY ONE HOUR AND 15 MINUTES, AND WILL COST THE FULL-FARE PASSENGER DM 150 ONE-WAY, AND DM 260 ROUND-TRIP. A STUDENT FARE OF DM 185 ROUND-TRIP, AND A SENIORS AND YOUTH FARE OF

DM 195 ROUND-TRIP WILL BE AVAILABLE.

5. EMB CAA REITERATED TO MATHUS THAT WE WERE UNABLE TO  
GUARANTEE ANY APPROVALS FOR CHARTER ACTIVITIES INVOLVING  
ITS F-27, ALTHOUGH WE WERE REASONABLY OPTIMISTIC THAT  
ALLIED CONCURRENCE FOR FLIGHTS TO SUCH DESTINATIONS

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 BONN 13175 02 OF 02 141629Z

50

ACTION EUR-12

INFO OCT-01 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00 DOTE-00

EB-07 INR-07 NSAE-00 FAA-00 PM-04 NSC-05 SP-02 SS-15

L-03 PA-01 PRS-01 USIA-06 /066 W

----- 067551

R 141605Z AUG 75

FM AMEMBASSY BONN

TO SECSTATE WASHDC 2139

INFO USMISSION USBERLIN

AMEMBASSY LONDON

AMEMBASSY PARIS

LIMITED OFFICIAL USE SECTION 02 OF 02 BONN 13175

AS AUSTRIA, SWITZERLAND AND YUGOSLAVIA WOULD PROBABLY  
NOT BE TOO DIFFICULT TO OBTAIN (WE ALREADY HAVE UK  
CAA'S INFORMAL INDICATION THAT HE WOULD VERY LIKELY  
CONCUR). CHARTERS TO NORTH SEA VACATION CENTERS WOULD  
MOST LIKELY NOT BE APPROVED GIVEN BA'S CURRENT SERVICE  
TO SYLT. WE AGAIN URGED  
MATHUS TO CONSIDER THAT THE F-27 WOULD BE USED ONLY FOR  
THE SAARBRUECKEN SERVICE. HE SAID THIS, AND THE FACT  
THAT NO ADDITIONAL SCHEDULED SERVICES FOR AEROAMERICA  
WOULD BE CONSIDERED WITHIN THE FORESEEABLE FUTURE, WERE  
FULLY UNDERSTOOD AND ACCEPTED BY THE COMPANY.

6. COMMENT: IN VIEW OF BRITISH CONCURRENCE (THE FRENCH  
CAA AGREED IN PRINCIPLE SOME TIME AGO) AND THE ASSURANCES

PROVIDED BY AEROAMERICA REGARDING THE CONDITIONS FOR  
OPERATING THE SERVICE, THE WAY IS NOW CLEAR FOR THE  
CAA'S TO FORMALLY APPROVE THE APPLICATION.  
ACTION REQUESTED: PROVIDED THE DEPARTMENT IS AWARE OF  
NO NEW INFORMATION AFFECTING AEROAMERICA'S SUITABILITY  
(PARA 5, REF B), WE BELIEVE WE SHOULD MOVE PROMPTLY  
TO ISSUE THE NECESSARY AUTHORIZATION IN ORDER TO GIVE  
THE CARRIER ENOUGH TIME TO COMPLETE ARRANGEMENTS FOR  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BONN 13175 02 OF 02 141629Z

A NOVEMBER 1 STARTING DATE. ACTION REQUESTED:  
DEPARTMENT'S CONCURRENCE.  
CASH

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SUPPLEMENTAL AIRLINES, AIR SCHEDULES, AIR ROUTE APPLICATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 AUG 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** RowellE0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BONN13175  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750281-0581  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750850/aaaabrom.tel  
**Line Count:** 186  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 BONN 12147, 75 STATE 166283  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** RowellE0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 MAY 2003 by ShawDG>; APPROVED <06 OCT 2003 by RowellE0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** AEROAMERICA'S SAARBRUECKEN APPLICATION  
**TAGS:** EAIR, WB, UK, US, FR, GE, AEROAMERICA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006